

Message Text

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TO USDEL SECRETARY PRIORITY

C O N F I D E N T I A L STATE 118841 TOSEC 010168

FOL REPEAT OF VIENTIANE 3577 TO SECSTATE INFO BANGKOK PARIS
CANBERRA MAY 21

QTE:

C O N F I D E N T I A L VIENTIANE 3577

DEPT PASS SECRETARY KISSINGER'S PARTY

CANBERRA FOR ASSISTANT SECRETARY HABIB

E.O. 11652: GDS

TAGS: PFOR, EAID, LA, US

SUBJECT: LAO SITUATION AND USAID

REF: STATE 118309

BEGIN SUMMARY. CHARGE CALLED ON PRIME MINISTER AND
FOREIGN MINISTER SEPARATELY MID-DAY MAY 21. HE MADE
CLEAR HE WAS ACTING UNDER INSTRUCTIONS. HE REVIEWED
SITUATION OF LAST MONTH AND STRESSED U.S. WILLINGNESS
TO DISCUSS ALL PROBLEMS, INCLUDING AID. HOWEVER,
OCCUPATION OF USAID COMPOUND AND PGNU'S FAILURE TO
ACT, BESIDES BEING GROSS VIOLATION OF VIENNA CONVENTION,
RAISED QUESTION AS TO OUR ABILITY TO CONTINUE TO
PROVIDE ASSISTANCE. SOUVANNA, IN HIS TYPICALLY AIRY
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WAY, THOUGHT IT WOULD ALL BE RESOLVED EASILY.

CONVERSATION WITH PHOUMI WAS TENSER. HIS CHEF DE
CABINET HAD ALREADY GIVEN CHARGE A GROSSLY DISTORTED

PRESENTATION OF SITUATION AND WHEN PHOUMI WAS INFORMED OF THIS HE INVITED HIM (SOUBANH) INTO THE CONVERSATION. CHARGE TOOK ISSUE POINT BY POINT WITH SOUBANH'S PRESENTATION AND REEMPHASIZED THAT ACTIVITIES AT KM 6 AND USAID COMPOUND WERE IN BLATANT VIOLATION OF VIENNA CONVENTION. PHOUMI DIRECTED SOUBANH TO CONTACT CHEF DE CABINET OF SOTH PETHRASY, SENIOR PL ON JCCIA, AND ASK HIM TO INVESTIGATE SITUATION AND TRY TO CALM IT DOWN. (HE DID, BUT WITH NO APPARENT SUCCESS.)

CHARGE REVIEWED WITH SOUVANNA AND PHOUMI SOME OF THE DEMONSTRATORS' 15-POINT DEMANDS. CHARGE ALSO RAISED THE SUBJECT OF THE PL STOPPING AND HOLDING TRUCKS CARRYING AMERICANS' PERSONAL EFFECTS. SOUVANNA REPLIED MEASURES WOULD BE TAKEN AND PHOUMI SAID IF THEY WERE HELD BY THE PL THEY WOULD BE EASY TO FIND. BOTH SAID THEY WANTED TO MOVE AHEAD WITH NEGOTIATIONS ON AID. PHOUMI ADDED THAT AN INTER-MINISTERIAL COMMITTEE HAD BEEN FORMED FOR THIS PURPOSE.

DESPITE ALL ASSURANCES, AS OF 1630 NOTHING HAD CHANGED. CHARGE THEREFORE ASKED TO MEET WITH PRIME MINISTER AND FOREIGN MINISTER AFTER CLOSE OF CABINET MEETING THEN GOING ON. SOUVANNA'S CHEF DE CABINET, AFTER CONSULTING PRIME MINISTER, SAID GOVERNMENT HAD DISPATCHED CO-CHAIRMEN OF JCCIA TO SETTLE BOTH MATTERS. END SUMMARY.

1. CARRIED OUT INSTRUCTION REFTEL BY CALLS ON SOUVANNA AND PHOUMI SEPARATELY MID-DAY (I HAD TRIED TO SEE THEM TOGETHER), AND MADE CLEAR I WAS ACTING UNDER INSTRUCTIONS. TO BOTH I EMPHASIZED OUR STEADY EFFORTS OF ONE MONTH TO HELP CALM SITUATION AND TO CONSIDER PROBLEMS, PARTICULARLY THOSE INVOLVED IN AID, ON AN ORDERLY AND FRIENDLY BASIS. I REFERRED TO OUR LETTER TO PRIME MINISTER ON CLOSURE USAID PROVINCIAL OFFICES (VIENTIANE 3559) AND TO THE CONVERSATION MR. RAMSEY AND I HAD WITH CONFIDENTIAL

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PHOUMI (VIENTIANE 3515) AS EVIDENCE OF OUR GOODWILL. HOWEVER, AS I HAD MENTIONED TO BOTH, CLIMATE OF INSECURITY MADE IT A PRACTICAL QUESTION OF BEING ABLE TO PROVIDE AID. STARK EXAMPLE WAS TODAY'S OCCUPATION OF USAID COMPOUND. I THEN LAID GREAT STRESS ON GOVERNMENT'S OBLIGATION TO PROTECT LIVES AND PROPERTY UNDER VIENNA CONVENTION, AND POINTED OUT THAT IN THIS RESPECT OCCUPATION OF USAID WAS UNDER INTERNATIONAL LAW TANTAMOUNT TO OCCUPATION OF AN EMBASSY. FINALLY, I SAID THAT AS I HAD TOLD THEM WE WERE REDUCING NUMBERS OF AMERICANS NOW AT MORE RAPID RATE THAN ANTICIPATED ORIGINALLY.

2. SOUVANNA WAS EVIDENTLY CONCERNED ABOUT THE SITUATION

BUT, IN HIS OWN PECULIARLY AIRY WAY, SAID THAT IT WOULD ALL BE RESOLVED EASILY. JUST BEFORE I CAME HE HAD SEEN FOUR LEADERS OF THE DEMONSTRATION, HE CONTINUED, AND HAD TOLD THEM THIS WAS NO WAY OF BEHAVING AND THAT THEY SHOULD LEAVE THE COMPOUND.

3. WITH PHOUMI CONVERSATION WAS MORE TENSE. HIS CHEF DE CABINET, SOUBANH, HAD CALLED ME EARLIER TO SAY THAT AT PHOUMI'S DIRECTION HE HAD PERSONALLY VISITED KM 9 WAREHOUSE, KM 6 HOUSING COMPOUND, AND THE NA HAI DIAO USAID COMPOUND. AT EACH PLACE HE HAD FOUND JOINT POLICE INSURING THE SECURITY OF THE PEOPLE AND INSTALLATIONS AND EVERYTHING WAS QUIET. FURTHERMORE, SOUBANH HAD SAID, THE GOVERNMENT HAD TAKEN CONTROL MEASURES BECAUSE THEY HAD INFORMATION TO THE EFFECT THAT USAID EMPLOYEES HAD TRANSPORTED USAID GOODS ACROSS THE RIVER TO SELL IN THAILAND (SIC). FINALLY, HE HAD NOTED THAT DEMONSTRATION AT USAID WAS IN FACT CONDUCTED BY EMPLOYEES AND THEREFORE THAT IT WAS AN INTERNAL USAID MATTER. WHEN SOUBANH HAD TOLD ME ALL THIS, I HAD A RATHER SHARP EXCHANGE WITH HIM ON EACH ALLEGATION AND WHEN I SAW PHOUMI I REFERRED TO THIS CONVERSATION. (AT THIS POINT HE CALLED IN SOUBANH INTO THE CONVERSATION.) I SAID THAT I WAS NOT CLEAR REGARDING THE SITUATION AT THE WAREHOUSE BUT AT KM 6 THE FACT WAS THAT AMERICANS WHO LIVED THERE WERE PREVENTED FROM RETURNING AND THOSE WHO LEFT WERE SUBJECT TO BODY AND CAR SEARCH. AT THE USAID COMPOUND IT WAS SIMPLY NOT TRUE THAT SECURITY HAD BEEN CONFIDENTIAL

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MAINTAINED; DEMONSTRATORS HAD BEEN THERE SINCE 1:30 THIS MORNING AND HAD CAUSED CONSIDERABLE DAMAGE TO

PROPERTY, MUCH OF WHICH, I POINTED OUT, BELONGED TO THE GOVERNMENT. I THEN REASSERTED, AS I HAD ONE EARLIER, THAT WHAT HAD HAPPENED WAS IN GROSS VIOLATION OF THE VIENNA CONVENTION. WE THEN WENT AROUND AND AROUND THESE ISSUES BUT AT THE END PHOUMI DIRECTED SOUBANH TO CALL THE CHEF DE CABINET OF SOTH PETHRASY, WHO IS THE SENIOR PL MEMBER OF THE JCCIA, TO GO AND INVESTIGATE THE SITUATION AND TRY TO CALM IT DOWN. (WE LATER RECEIVED REPORT THAT AT 1330 THIS FELLOW HAD GONE TO USAID COMPOUND AND ADVISED DEMONSTRATORS TO LET AMERICANS GO BACK TO WORK AND NOT TO STEAL OR DAMAGE PROPERTY.)

4. WITH BOTH SOUVANNA AND PHOUMI, I DISCUSSED A NUMBER OF THE 15 DEMANDS MADE BY THE DEMONSTRATORS.

A. ONE WAS FOR ALL AMERICANS WORKING FOR USAID TO LEAVE LAOS WITHIN THREE DAYS. I SAID THIS AMOUNTED TO A THREAT. BOTH SOUVANNA AND PHOUMI POO-PHOODED THIS DEMAND.

B. ANOTHER DEALTH WITH THE EMBASSY'S RESPONSIBILITY FOR INSURING THAT USAID EMPLOYEES BE PAID THEIR SALARIES. (THERE SEEMS TO HAVE BEEN IN THE LAST FEW DAYS A GROWING CONCERN AMONG EMPLOYEES ON THIS ISSUE.) I SAID THAT WE HAD ALWAYS TREATED OUR EMPLOYEES FAIRLY AND I POINTED OUT THAT IN OUR LETTER TO SOUVANNA ON THE CLOSING OF PROVINCIAL OFFICES ONE OF OUR PRINCIPAL CONCERNS WAS TO PAY OFF OUR EMPLOYEES.

C. WITH REGARD TO THE DEMAND THAT USAID MATERIALS DIAND EQUIPMENT BE TURNED OVER TO THE LAO GOVERNMENT, I SAID THAT WE HAD BEEN PROVIDING AID TO LAOS FOR 20 YEARS AND TO OVER 100 COUNTRIES FOR SOME 30 YEARS. IT HAD ALWAYS BEEN OUR PRACTICE THAT WHEN A PROJECT WAS DULY COMPLETED, RESIDUAL EQUIPMENT WAS TURNED OVER TO THE HOST GOVERNMENT. WE HAD DONE THIS JUST TWO MONTHS AGO IN TURNING OVER ALL HEAVEY CONSTRUCTION EQUIPMENT AND REPAIR SHOP TO THE MINISTRY OF PUBLIC WORKS. IT
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WAS SIMPLY RIDICULOUS TO SUGGEST THAT AT THIS TIME THE U.S. GOVERNMENT WOULD TRY TO SNEAK ABROAD A FEW ODD BITS OF EQUIPMENT. I MADE THESE POINTS FORCEFULLY TO BOTH BECAUSE PHOUMI HAD INDICATED THE GOVERNMENT WAS CONCERNED BY THE AMOUNT OF GOODS CROSSING THE RIVER. SOME 400 PRIVATE VEHICLES HAD GONE INTO THAILAND, HE SAID, AND "CHINESE" HAD TAKEN A GREAT DEAL OF OTHER GOODS OVER.

D. AS REGARDS THE DEMAND THAT TAXES BE PAID ON PERSONAL BELONGINGS AND VEHICLES BEFORE OWNERS LEFT THE COUNTRY, I AGAIN REFERRED TO THE VIENNA CONVENTION AND SAID THAT THIS WAS ALSO A GROSS VIOLATION OF ITS PROVISIONS.

E. FINALLY, I RAISED THE QUESTION OF 4 TRUCKS CARRYING LIFT VANS OF PERSONAL EFFECTS BELONGING TO USAID AND EMBASSY EMPLOYEES WHICH HAD BEEN STOPPED BY A PL UNIT YESTERDAY AND WHICH WAS BEING HELD BY THE PL. I SAID THIS TOO WAS A VIOLATION OF THE CONVENTION AND REFERRED BACK TO MY INTRODUCTORY REMARKS BY STATING THAT IT WAS BECOMING IMPOSSIBLE TO CONTINUE WORKING HERE UNLESS THE GOVERNMENT TOOK ADEQUATE MEASURES. SOUVANNA SAID HE HAD HEARD OF THIS MATTER AND MEASURES WOULD BE TAKEN. PHOUMI SAID THAT IF HELD BY PL, TRUCKS WOULD BE EASY TO FIND.

5. MOST POSITIVE STATEMENT MADE BY BOTH SOUVANNA AND PHOUMI WAS THEIR DESIRE TO MOVE AHEAD WITH NEGOTIATIONS ON AID. PHOUMI SAID THAT INTER-MINISTERIAL COMMITTEE HAD BEEN NAMED TO UNDERTAKE THESE NEGOTIATIONS.

6. DESPITE SOUVANNA'S AND PHOUMI'S ASSURANCES, AS OF

1630 NOTHING HAD REALLY CHANGED; USAID WAS STILL OCCUPIED
BY DEMONSTRATORS AND KM 6 HOUSING COMPLEX WAS STILL
CONTROLLED BY PL SOLDIERS. I THEREFORE CALLED THE PRIME
MINISTER'S OFFICE WHERE THE CABINET IS MEETING AND ASKED
TO MEET URGENTLY WITH PRIME MINISTER AND FOREIGN
MINISTER AS SOON AS THE MEETING WAS OVER. THE PRIMIN'S
CHEF DE CABINET WITH WHOM I SPOKE CALLED BACK 10 MINUTES
LATER TO SAY THAT HE HAD SENT A NOTE TO THE PRIME MINISTER
OF WHAT I HAD SAID AND THE PRIME MINISTER HAD INSTRUCTED
HIM TO TELL ME THAT THE GOVERNMENT HAD ALREADY DISPATCHED
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THE CO-CHAIRMEN OF THE JCCIA, SOUKAN VILAYSARN AND
SOTH PETHRASY, TO SETTLE BOTH MATTERS.
CHAPMAN
UNQTE INGERSOLL

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<< END OF DOCUMENT >>

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